MR. DEPUTY CHAIRMAN: He will send it.

SHRI A. VIJAYARAGHAVAN: Sir, there was a complaint from all sides with regard to the identification of BPL families, instructions given by the Planning Commission, and the actual impact at the ground level. Hence, something should be done by the Government for a more scientific....

MR. DEPUTY CHAIRMAN: He has replied to that.

SHRI A. VIJAYARAGHAVAN: Sir, the guidelines need to be changed.

डा॰ अखिलेश प्रसाद सिंह: जिस सवाल को आप उठा रहे हैं वह यू॰ पी॰ ए॰ गठबंधन सरकार बनने के बाद का नहीं है। 2001 का लैटर उन लोगों ने दिया है, वह भी हम लोगों के पास उनका कोई प्रोपोज़ल नहीं आया है। मंत्री जी ने दो दिन पहले तय किया है कि पहले उनसे हम लोग प्रेजेंटेशन लेंगे, उस पर चर्चा करेंगे और फिर सदन को बताने का काम करेंगे।

MR. DEPUTY CHAIRMAN: Very well done, Mr. Minister. Now, statement to be made by Shri Sharad Pawar.

STATEMENTS BY MINISTERS

Status of Implementation of the recommendations contained in the first report of the Department related Parliamentary Standing Committee on Agriculture

THE MINISTER OF AGRICULTURE AND THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR): Sir, I am making this Statement on the status of implementation of recommendations contained in the First Report of the Standing Committee on Agriculture in pursuance of the directions issued by hon. Chairman, Rajya Sabha, *vide* Parliamentary Bulletin-Part-II, dated 28th September, 2004, under the provisions of Rule 266 of the Rules of Procedure and Conduct of Business in the Council of States.

The Standing Committee on Agriculture examined the Demands for Grants of Department of Agriculture & Cooperation (DAC) for the year 2004-05 and laid the Report in the Rajya Sabha on 17.08.2004. The report contains 16 recommendations. These recommendations of the Committee have been examined carefully in the Ministry of Agriculture, Department of Agriculture & Cooperation. Most of the recommendations have been accepted by the Government and action has already been taken/initiated. A Statement indicating the action taken/status of all the recommendations contained in the Standing Committee Report is annexed.

The action taken replies have been sent to the Committee on 5th January, 2005.

Statement

Action Taken Report on the Recommendations/Observations contained in the 1st Report of Standing Committee on Agriculture on Demands for 2004-2005 of Ministry of Department of Agriculture & Cooperation)

Recommendation No.	Recommendation	Action taken by Government (Department of Agriculture & Cooperation)	Whether accepted or not by Government
1	2	3	4
1	**Allocation for the Department**		
	Ministry of Agriculture must take up the matter with the Planning Commission and Ministry of finance and impress upon them to take a realistic view about the quantum of Plan funds required for the DAC and make allocations accordingly at least at the revised stage as per the projections made by the Department.	Department of Agriculture & Co-operation (DAC) had approached the Planning Commission to increase its Plan outlay in 2004-2005. Planning Commission has provided an additional amount of Rs. 440.00 crore to the DAC in 2004-05.	Accepted
2	**Investment in Agriculture**		
	Government to increase the investment in Agriculture Sector and formulate suitable Schemes to attract more capital from the Private Sector to give boost to the Agriculture in country.	Central Government has initiated a No. of measures like doubling of rural credit, special programme for dary land farming stepping up public investment in agriculture research, extension, rural infrastructure and irrigation, launching schemes to provide investment subsidy to marketing infrastructure projects in States to enhance investment. The introduction of marketing reforms aimed at promoting, *inter-alia* public-private partnership.	Partly Accepted
3	**Utilization of Plan Funds**		
	Funds to the States should be made on time so that they could utilize the amount	The funds for on-going schemes are released in time. It takes times in getting the approval of the competent authority for new schemes,	Accepted

rationally and there is proper monitoring of expenditure. There should be proper coordination with the State Governments so as to obtain Utilization Certificates and to safeguard that money released is spent only on approved Schems and programmes. The financial capability of State Governments to contribute their share, socio-economic conditions and industrial backwardness of states should also be assessed while formulating Centrally Sponsored Schemes.

resulting in delay of releasing funds. The implementation of the schemes and expenditure is regularly monitored. States have been given flexibility to select the schemes of their felt needs and priorities under Macro Management of Agriculture (MMA) Scheme. The contribution of the State Governments has been brought down to 10 per cent as against the normal level of 25 per cent. In the case of North Eastern States, the entire funds is provided by the GOI under this scheme.

Suicides by farmers

Union Government should not always wait for the reports from the State Governments, whenever there is drought or any other natural calamity. They *ab initio* should come forward and enquire the factual position on their own also and take adequate and immediate steps to mitigate the sufferings of the bereaved family. If any female farmer commits suicide, her family should also be equally compensated. Department should take concrete preventive measures to arrest the recurrence of such tragic deaths. IMD can also come to the rescue for farmers considerably by making correct forecast of the weather condition. Farmers can be motivated to opt for crop-insurance by providing them soft-term package and in case of crop

Union Government recognizes its responsibility tpwards farmers and agriculture and undertakes requisite steps to enhance Agri- cultural productionand productivity through various scheme that would augment living standards of the farmers and the rural poor.

Several measures like issuing of standing quidelines to the banks for providing relief to the farmers in areas affected by natural calamities by RBI, implementation of National Agriculture Insurance Scheme, reducing lending rate for agriculture by Public Sector Banks to a single digit rate of not more than 9% per on crop loans up to a ceilling of Rs. 50,000/-, etc. were initiated.

Government is also implementing Minimum Support Price (MSP) and Marketing Intervention Scheme (MIS) to ensure remunerative prices to the farmers. Department of Science & Technology has announced a package of Rs. 500 crore for procuring modern equipment for accurate weather forecasting.

Partly Accepted

1	2	3	4
	failures; insurance claims should be settled immediately. Flow of soft-term institutional credit should be increased Government should make a case study of farmers committing suicide due to indebtedness and the suicides committed by the commercial borrowers, if any.		
5	**Credit Flow to Agriculture** Loan procedure should be simplified and the commercial banks should reach the farmers. Government to make it incumbent upon every bank to meet the stipulation of providing a minimum of 18 per cent agricultural credit.	Government of India in consultation with the Reserve Bank of India has initiated various policy measures to improve accessibility of farmers to the institutional credit sources and to simplify the lending procedures. Banks have been advised to undertake procedural simplification and modifications in regard to agricultural loans Ministry of Agriculture has taken up matter with Ministry of Finance (MOF) & Reserve Bank of India (RBI) about the shortfall in achievement of the stipulated target of lending to agriculture sector. PMO has also advised MOF to take all necessary steps to ensure that commercial banks achieve the targets of lending 18 per cent of their Net Bank Credit to agriculture sector by 2005-2006.	Accepted
6	**Interest rate for Agricultural Loans** Government should instruct Cooperative Banks and Rural Banks also to reduce the rate of interest. The ceiling of Rs. 50,000 should be increased to Rs. 1,50,000 for charging the minimum rate of interest. Government to ensure that in case of farmers' inability to pay the debt they may	Government of India has advised all the Public Sector banks to reduce their lending rate for agriculture to a single digit rate of not more than 9% per annum on crop loans upto a ceiling of Rs. 50,000/- The cooperative banks and RRDs are permitted to determine their own interest rates based on their cost of funds, transaction and risk costs, etc.	Partly Accepted

	not be deprived of their hypothecated land or agricultural machinery.	Agriculture Minister has requested Chief Ministers of all the states/UTs to review their state laws to remove the provision for arrest and detention of farmers and strengthen the other alternatives of recovery measures.	
7	**Crop Insurance**		
	To ensure timely payment of insurance, the Union Government should persuade the State Governments to make adequate provision in their Budgets for meeting the financial liabilities under NAIS. More crops may be brought under the purview of NAIS. The village should be taken as a unit of collecting data. Initially, "Gram Panchayat" level should be reached and ultimately it is the village level data which will accrue actual benefits to the poor farmers under the National Agricultural Insurance Scheme.	Government of India from time to time is impressing upon the States/UTs to be implement the crop insurance scheme. Implementing States/UTs are requested to make adequate budget provision in their budget and for timely payment of their share towards financial liabilities Recently, Agriculture Minister has taken up this matter with the Chief Ministers of all implementing States. State Governments are free to increase the number of crops subject to the availability of past yield data based on crop cutting experiments for adequate number of years and capacity of State Government to conduct the requisite number of CCEs. Reduction in the unit area of insurance to the village level is under consideration of the review process of NAIS.	Accepted
8	**Agricultural Marketing** Government to implement all the measures suggested by the Inter-Ministerial Task Force in a time bound manner. Government to insist upon the State Governments to make the desired amendments in their respective States APMC Act at the earliest so that the implementation process is started in right earnest. Government to provide the basic marketing facilities to the farmers in their vicinity so that they get full remuneration for their	Central Government has initiated action on the recommendations of the Task Force on agricultural marketing. Some of them are like; reforms in Marketing Law, introduction of negotiable warehouse receipt system in the country, categorizing marketing credit to agriculture under "Priority Sector", enhancement of Limit of credit from Rs. 1 lakh to Rs. 5 lakhs, liberalization of Central legislation dealing with Essential Commodities (E.C.) Act, identification of Forward and Future Markets as an important tool of price discovery and risk management in agricultural commodity markets, finalizing the framework of an	Accepted

1	2	3	4
	produce within time before the food grain or produce gets perished.	"Integrated Food Law" formulation of a new Scheme under which assistance would be provided to the States, who amends APMC Act to promote direct marketing, contract farming and competitive markets in private and cooperative sectors.	
9.	**Watershed Development in Shifting Cultivation Areas in North Eastern States**		
	The allocation under Watershed Development in Shifting Cultivation Areas in North Eastern States be increased to Rs. 50 crore for 2004-05 at the Revised Estimate stage	The outlay of the Project will be increased to Rs. 50 crores in a phased manner subject to Planning Commission providing necessary funds and keeping in mind the capacity of the States to utilize additional funds.	Accepted.
10.	**Seed Crop Insurance**		
	GIC should be asked to review their procedure to settle such claims on priority basis. The Committee may be apprised of the action taken by GIC in this regard. National Council for Applied Economic Research (NCAER) which has been entrusted responsibility to evaluate the scheme should be asked to submit their report within one month. The fate of this important Scheme should be taken. Scheme should not be discontinued and efforts should be made to suitably popularize the Scheme among the farmers by spreading awareness about the advantages of the Schemes.	The Department of Agriculture and Cooperation has awarded a fresh study to evaluate the Seed Crop Insurance Scheme to Agriculture Finance Corporation, as the response from NCAER was not forthcoming. The decision on continuance of the Scheme will be taken after the conclusion of this evaluation study.	Not Accepted because study has been given to Agriculture Finance Corporation afresh.

11	**Organic Farming**		
	Government should provide incentives and encouragement to the farmers for Organic Farming and the financial provision under the Scheme should be enhanced. The project for 'National Institute of Organic Farming' may be completed at the earliest	The Scheme, "National Project on Organic Farming" has been approved recently with an outlay of Rs. 57.05 crores.	Accepted
12	**Availability of Quality seeds**		
	Committee expect the Government to ensure timely availability of certified quality seeds according to the needs of the farmers. The farmers should also be involved in development and strengthening of infrastructure facilities in the production, preservation and distribution of quality seeds.	State Government and State Seed Corporations (along with National Seeds Corporation, State Farms Corporation of India and private seed sector) have been asked to increase their quantum of seed production to provide quality seeds on time at reasonable prices. The required facilities for public and private sectors have been provided. The proposed Seeds Bill, 2004 provides registration of the kind/variety of seeds on the basis of its performance which is printed on the label. Involvement of farmers in production, storage and distribution will be strengthened with the implementation of the Scheme on Development and Strengthening of Seed Infrastructure Facilities for Production and Distribution of Quality Seeds.	Accepted
13	**Remunerative Prices to Farmers**		
	Some more agricultural commodities like cash crops should also be included under the list of notified commodities for PSS. Government to chalk out specific	The Minimum Support Prices (MSP) for major agricultural products are fixed on the recommendations of the CACP. While formulating these recommendations, the Commission analyses a wide spectrum of data, covering the costs of cultivation/production, trends and spread of input use, production	Partly Accepted

1	2	3	4
	schemes for the farmers so that they are able to receive the full benefits of their produce at the appropriate time. The factor of encouraging or discouraging the production of any particular crop should not be taken into consideration for fixing the Minimum Support Price of any Agricultural Commodity.	and productivity of the crop concerned, market prices, both domestic and global, inter-crop parity, emerging supply-demand situation, procurement and distribution, terms of trade between agricultural and non-agricultural sectors, and so on. Since the price policy involves considerations of long-run consequences, the Commission also looks at the yield-raising research being conducted by institutions like ICAR. The estimates of cost of cultivation/production take into Account all the Agricultural inputs including seed, fertilizer, presticides, mandays, irrigation, power, interest on cost of land, depreciation on implements and machinery etc.	
14	**Revival of Cooperatives**		
	Government to ensure that the cooperatives are provided necessary support, encouragement and assistance. One time catch up grant should provided for the revival of sick cooperativesso that they start working for the welfareof the farmers and the community as awhole.	In order to strengthen the cooperative movement, the outlay during the 10th Plan has been earmarked as Rs.458.50 crore The Multi State Cooperative Societies Act has been amended in the year 2002 to make cooperatives Autonomous, self reliant and democratically managed institutions. The States are being persuaded to amend their State Acts on the same lines. Constitutional amendments to ensure the Autonomous, democratic and professional functioning of the cooperatives under the State Cooperative Acts are also under consideration. A new scheme for rehabilitation of cooperative processing units is under consideration of the Government.	Accepted

15.	**Construction of Cold Storages/Rural Godowns**		
	Cold Storages/rural godowns should immediately be constructed in North Eastern areas. Scheme of construction/renovation of cold storage/rural godown should be strenthened for the benefit of small, medium, and marginal farmers. The allocation under the scheme be enhanced at the revised estimate level.	The scheme had not initially received good response from NE region due to availability of lessmarketable surplus and scarcity of land in hilly areas, butis slowly picking up. With a view to encourage small farmers and entrepreneurs in North East Region in the country to undertake construction of projects under the scheme several modifications have been made.	Accepted
16	**Agri Clinics/Agri Business centres**		
	At least 25 per cent subsidy under the Scheme should be provided to the willing agriculture graduates to set up their venture if the Government really want to make their scheme successful. The banks should be instructed to provide easy loans to the unemployed agricultural graduates so that they could set up their own centres.	Government of India, SFAC, MANAGE and NABARD are closely monitoring the Scheme. The progress of the scheme and related issues were reviewed. Four banks namely State Bank of India, Union Banks of India, Canara Bank and Punjab National Bank has identified one district in two States for further work on the Scheme. Planning Commission and Minsitry of finance would be approached again to consider subsidy under the scheme.	Accepted